

ISSUES UPDATE

January 1996

DISTRIBUTION:

Andy Schindler	Jim Best	Ed McAtee
Jim Schroer	Pat Cundari	Rick Sanders
Yancey Ford	Ralph Gaillard	Larry Schreiber
Jim Maguire	Glenn Hanes	Tom Trader
Al Barnett	Jim Helm	Linda Wood

ANTI-SMOKING

OSHA Hearings -- The testimony of six RJR scientists who were supposed to testify in December was postponed because, less than 24 hours before the company was scheduled to appear Dec. 7, OSHA staff members and attorneys representing plaintiffs in litigation against RJR maneuvered to deny RJR representatives the right to testify as a panel, rather than individually. Following guarantees from Judge Vittone that the company representatives would be allowed to appear and answer questions as a panel, the company rescheduled its appearance for Jan. 17-19. The hearings, which began in September, are currently scheduled to continue through January. (Maura Ellis - 6996)

FDA Petition -- On Jan. 10, Reynolds Tobacco participated in a press conference in Washington, D.C., where the company announced it had collected 1.1 million signatures of American adults who oppose FDA regulation of cigarettes. Also at that press conference, The Tobacco Institute presented the results of a new public opinion poll showing little public support for FDA control of cigarettes. A majority (55%) of those surveyed felt cigarette regulation should be maintained at its current level or reduced. The following day (Jan. 11), the Coalition on Smoking or Health, which had indicated it was trying to generate 1 million signatures urging the FDA to regulate cigarettes, announced on that it had collected only 250,000 signatures. A large part of RJR's petition drive success hinged on the excellent support provided by the sales force. Everyone who participated should be commended. (Randy Thompson - 7287)

LAWSUITS

(Dan Donahue - 0656)

EPA Lawsuit -- No new developments.

Mississippi Attorney General Lawsuit -- The court heard arguments in December on various motions including a motion by the defendants to move the case to circuit court, where the defendants would have a case tried by the jury rather than the court. The judge said he would rule by Jan. 20.

Rogers Case -- A Lawsuit brought by survivors of Richard Rogers, an Indianapolis attorney who died of lung cancer, will be brought to trial Jan. 31 in Indianapolis. The case will focus extensively on the plaintiff's claim that Rogers was addicted to cigarettes. Defendants in this case are RJRT, PM, Liggett, American and some local retailers.

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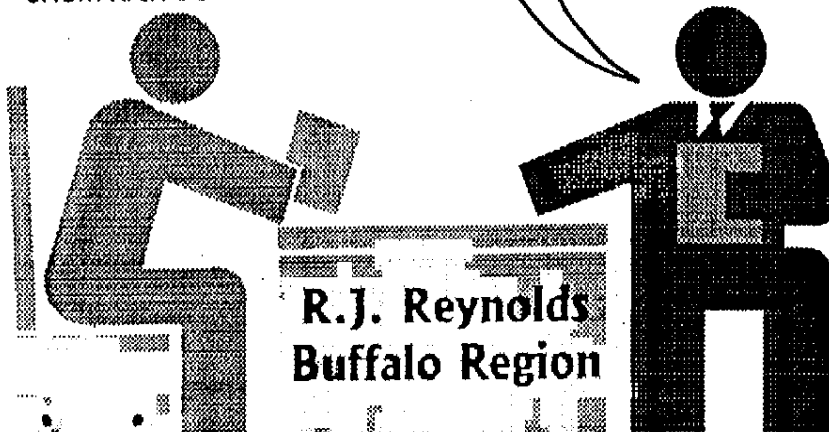
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**Congratulations to the following Local
Performance Award Winners:**

Ted Pollock
John DeRose
Ron Mandolin
Carissa Cole
Ron Ridenour
Joe Paulsen

Renee Duszynski
Mike Tisinger
Ralph Canu
Georgia Bain
Sherri Kravec

Here's the latest edition
of the
BUFFALO BRIEFS
1/95



What's Hot

- ◊ Ceiling strategy on Doral & Monarch
- ◊ Understanding Voicemail
- ◊ Voicemailing Amy with any time off the Trade.
- ◊ 1.5 OCC
- ◊ Maximize VAP
- ◊ Open lines of communication
- ◊ New MONARCH Guns
- ◊ SIAP Bonus!!!
- ◊ GAP strategy
- ◊ Doral Box Intro - NY Only
- ◊ Buffalo Weather

What's Not

- Missed Deadlines
- Buffalo Bills

Happy Birthday!!

David Beal	Lisa Monterastelli
Andrew Saracena	Pat Comeskey
Scott Close	Patti Johnson
John Chlccarelli	Jim McLean
Mark Morris	Cheryl Hall
Bob Dobrowski	Carol Covell
Todd Fedorovich	Amy McPartlan
Keith Myers	

Key Points

- Thanks to all who attended and participated in the '95 Buffalo Annual Mtg.
- '95 PDI is available - Contact your Manager for Division Allocations.
- Big Brand Presence - Building Select, Doral & Camel.
- 3 P's - Product Availability, Promotion Execution & Presence.
- Personal Selling Program
- Ordering fixtures - If you are unsure of what you are ordering, please voicemail or call Darren direct so that correct material will arrive.
- Grow Full Price = Make more \$\$\$\$
- Co-Marketing contracts continue, Joes Place converts to FPDT & continues
- Heavy Up maildrop on Monarch - 2/95



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1ST QUARTER 1995 VALUE-ADDED PROMOTIONS
(VAP)

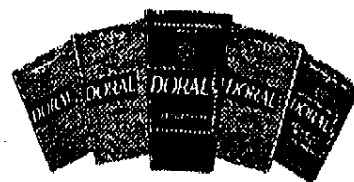
<u>MONTH</u>	<u>DESCRIPTION</u>	<u>PROMOTION #</u>
JANUARY	WINSTON SELECT B2G2F	500011
FEBRUARY	WINSTON SELECT B2G1F REGION 16XX ONLY	500154
MARCH	CAMEL B3G3F	500021

A Look Ahead



1ST QUARTER 1995 PROMOTIONS

<u>MONTH</u>	<u>DESCRIPTION</u>	<u>PROMOTION #</u>
JANUARY	DORAL B1G1F (SALES REPS)	402027
	DORAL B1CTN GET 5PKS FREE (CHAINS)	402031
	DORAL B2CTNS GET 1CTN FREE (CIGARETTE OUTLETS)	402032
	NEW DORAL BOX STYLES (FF BOX / LT BOX INTRODUCTION DIVISIONS 1622, 1623, 1624, 1626 (CLEVELAND IS NOT WORKING THESE DORAL PROMOTIONS) DETAILS HAVE BEEN COMMUNICATED.	
	WINSTON SELECT B2G1F (RESIDUAL QUANTITIES, AFTER VAP. MAJORITY TO BE WORKED BY #1632, WITH ADDITIONAL SMALL AMOUNTS WORKED IN 1623 AND 1626.) DETAILS HAVE BEEN COMMUNICATED.	500154
FEBRUARY	*DORAL B2G1F (SALES REPS)	500001
	*DORAL B1CTN GET 5PKS FREE (TBD)	500002
	*DORAL B2CTNS GET 1CTN FREE (TBD)	500003
	*(THESE PROMOTIONS TO BE WORKED IN #1632 <u>ONLY</u>)	
	WINSTON SELECT B2G1F (RESIDUAL QUANTITIES, AFTER REGION VAP, WILL BE WORKED IN #1622.) DETAILS WILL BE COMMUNICATED.	500154
MARCH	CAMEL B3G3F (RESIDUAL QUANTITIES, AFTER VAP, TBD)	500021



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STATE AND LOCAL**(Gary Loser - 7607)**

* **State Excise Tax Efforts --** With the recent political changes at the federal level, we can expect the anti-smoking forces to redirect their efforts at the state level. This year promises to be filled with state tax fights. In particular, RJR expects the following states to be hotbeds of activity in 1995: Alaska, Florida, Illinois, Iowa, Maine, Minnesota, Utah, Vermont, West Virginia, Wisconsin, Wyoming. (Roger Mozingo - 7665).

Local Issues Pending:

→ **Walpole, MA --** Board of Health held a meeting Jan. 10 and will hold another Jan. 24 to discuss comprehensive smoking bans. The public will be given one hour at the beginning of the meeting to voice their opinions. The Board proposes complete bans in restaurants, bars, malls, all public places, a phase in to complete nonsmoking in workplaces, all retail restrictions (no FSDs, vending machines, reduced pricing) and a complete ban on outdoor advertising of tobacco products.

→ **Nantucket, MA --** Board of Health will hold public hearings in late January and early February on Cape Cod Tobacco Coalition proposal (Draft VII). The proposal is being circulated throughout Barnstable County towns and proposes complete bans in all indoor public places. Workplaces may have separately ventilated smoking areas. Retail restrictions include vending machines, FSDs of any tobacco product and free samples.

The Cape Cod Tobacco Coalition will meet again in January to come up with a final document which will govern the smoking policies for all of Barnstable County. The latest draft is Draft VII (described above). In February the Coalition will present their final proposal to all towns for their approval and signatures.

El Paso, TX will hold a public hearing on proposed smoking regulations within the next few weeks. There will be 6 expert witnesses to speak at the hearing. The Board also wants an even number of people speaking in favor and in opposition of the proposal at the meeting. Each will be allotted 3 minutes to speak. After the public hearing the Board will consider all comments and vote on the issue.

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